

ORIGINAL

Decision No. 59744

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, a corporation, and RAILWAY EXPRESS AGENCY, INC., a corporation, for authority to discontinue agency service at its station at Irvine, Orange County, State of California.

Application No. 40845

In the Matter of the Application of THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, a corporation, and RAILWAY EXPRESS AGENCY, INC., a corporation, for authority to discontinue agency service at its station at Atwood, Orange County, State of California.

Application No. 40846

In the Matter of the Application of THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, a corporation, and RAILWAY EXPRESS AGENCY, INC., a corporation, for authority to discontinue agency service at its station at Olive, Orange County, State of California.

Application No. 40847

Robert W. Walker and Henry M. Moffat, by Henry M. Moffat, for The Atchison, Topeka & Santa Fe Railway Company and Railway Express Agency, Inc.
Ralph H. Keller, for California Non-Metallics, Inc.; and H. J. Heaney and C. O. Griffith, for The Order of Railroad Telegraphers; protestants.

O P I N I O N

Public hearings were held in these matters at San Juan Capistrano on December 9, 1959, before Examiner Grant E. Syphers, at which time evidence was adduced and the matters submitted subject to

the filing of briefs. Briefs now have been filed and the matters are ready for decision.

The railroad proposes herein to discontinue three agency stations: one at Irvine, one at Atwood, and one at Olive.

The station at Irvine is staffed by an agent and an apprentice telegrapher and is open daily except Saturdays, Sundays and holidays from 8 a.m. to 12 noon and from 1 p.m. to 5 p.m. There is a main line track and a team track for the handling of freight. One passenger train stops on flag at this station to discharge passengers although this is very infrequent.

The evidence discloses the following data concerning the shipments received and forwarded from this station.

| <u>1956</u> | <u>1957</u> | <u>1958</u> | <u>1959</u> (1st 9 months) |
|-------------|------------------------------------|-------------|-------------------------------|
| | <u>Carloads Forwarded</u> | | |
| 236 | 178 | 139 | 114 |
| | <u>Carloads Received</u> | | |
| 345 | 273 | 278 | 233 |
| | <u>LCL Shipments Forwarded</u> | | |
| 34 | 77 | 39 | 63 |
| | <u>LCL Shipments Received</u> | | |
| 472 | 519 | 449 | 283 |
| | <u>Express Shipments Forwarded</u> | | |
| 419 | 478 | 348 | 117 |
| | <u>Express Shipments Received</u> | | |
| 1,104 | 810 | 729 | 552 |

The evidence also discloses a very small number of telegraph messages received and forwarded, the revenue therefrom for the years 1956, 1957 and 1958 totaling \$15.57.

The applicant estimates that if this station is converted to a nonagency station, it will effect the following savings:

| <u>1957</u> | <u>1958</u> | <u>1959</u> (1st 6 months) |
|---|-------------|-------------------------------|
| <u>Present Expenses</u> | | |
| \$7,836.37 | \$7,683.95 | \$4,907.25 |
| <u>Expenses for Nonagency Station</u> | | |
| \$ 150.00 | \$ 150.00 | \$ 75.00 |
| <u>Savings</u> | | |
| \$7,686.37 | \$7,533.95 | \$4,832.25 |
| <u>Less Wages of Apprentice Telegrapher</u> | | |
| \$1,759.87 | \$1,262.37 | \$1,584.25 |
| <u>Total Net Savings</u> | | |
| \$5,926.50 | \$6,271.58 | \$3,248.00 |

Approximately 7.3 miles to the north of this station is the Santa Ana station which presently serves both freight and passenger business and is open from 6:30 am. to 1:15 a.m. daily. All passenger trains stop there and it has the facilities of the American Railway Express and Western Union. To the south 13.3 miles there is a station at San Juan Capistrano which has one man on duty from 7:30 a.m. to 3:30 p.m. except Saturdays, Sundays and holidays, and passenger trains stop at this station on flag.

The testimony discloses that if the station at Irvine is closed, the only difference so far as shippers are concerned in the handling of inbound carload traffic would be that the bills would be left at the Santa Ana station and handled there. There would be no change in the physical handling of cars. As to outbound carload traffic, the shipper would contact the agent at Santa Ana rather than at Irvine.

The less than carload shipments and the express would be handled at the Santa Ana station.

Also pointed out by a witness for the railroad was the fact that there is available truck service in the area through its subsidiary, the Santa Fe Transportation Company.

There was opposition to the closing of this station presented by a representative of a shipper who contended that the recent trend in carload business showed an increase in number of cars handled and, further, that this station handles business from the El Toro Marine Base. He further contended that the abandonment of this station would place an increase in workload on the adjacent agency stations and thus result in poorer service to the customers. Further opposition was presented by a representative of The Order of Railroad Telegraphers who contended that the closing of this station would result in an inconvenience to the public and that the applicant had failed to show that the continued maintenance of this station would be a burden on other intrastate or interstate commerce. This protestant also pointed out that the discontinuance of small railroad agencies throughout the State of California could very well have an adverse effect on the economy of the communities concerned.

Concerning the station at Olive, the evidence discloses that this is a one-man station, open from 9 a.m. until noon, and from 1 p.m. to 6 p.m. daily except Saturdays, Sundays and holidays.

To the south 3.4 miles there is a station at Orange where it is proposed to handle the business should the station at Olive be discontinued.

The evidence discloses that the following business was handled at the Olive station for the periods indicated:

| <u>1956</u> | <u>1957</u> | <u>1958</u> | <u>1959</u> (1st 9 months) |
|------------------------------------|-------------|-------------|-------------------------------|
| <u>Carloads Forwarded</u> | | | |
| 836 | 647 | 357 | 499 |
| <u>Carloads Received</u> | | | |
| 123 | 125 | 62 | 102 |
| <u>LCL Shipments Forwarded</u> | | | |
| 3 | 1 | 4 | 0 |
| <u>LCL Shipments Received</u> | | | |
| 16 | 21 | 20 | 11 |
| <u>Express Shipments Forwarded</u> | | | |
| 233 | 232 | 120 | 195 |
| <u>Express Shipments Received</u> | | | |
| 30 | 33 | 25 | 24 |

There was no Western Union business handled at this station during these years.

The following table sets out the estimated savings if this station is abandoned:

| <u>1957</u> | <u>1958</u> | <u>1959</u> (1st 6 months) |
|---------------------------------------|-------------|-------------------------------|
| <u>Present Expenses</u> | | |
| \$6,207.75 | \$6,173.92 | \$2,951.62 |
| <u>Expenses for Nonagency Station</u> | | |
| \$ 150.00 | \$ 150.00 | \$ 75.00 |
| <u>Savings</u> | | |
| \$6,057.75 | \$6,023.92 | \$2,876.62 |

The testimony also disclosed that as to the handling of these shipments, were this station discontinued, the situation would be substantially the same as at Irvine. In other words, the business would be handled through the Orange station.

The only opposition to the discontinuance of this station was that presented by The Order of Railroad Telegraphers and was of the same nature as that presented in opposition to that of the Irvine station.

The Atwood station is a one-man station, open daily from 7 a.m. to noon, and from 1 p.m. to 4 p.m., except Saturdays, Sundays and holidays. To the east 16.5 miles is the Corona station, and 2.3 miles to the west is the Placentia station. It is proposed to divert the business of this station to Placentia which is a two-man station, open daily from 7 a.m. to noon, and from 1 to 6 p.m., except Saturdays, Sundays and holidays. Corona is a large station with five employees, open daily from 7 a.m. to 11 p.m. except Sunday.

The evidence discloses that the Atwood station has handled the following amounts of business:

| <u>1956</u> | <u>1957</u> | <u>1958</u> | <u>1959</u> (1st 9 months) |
|-------------|------------------------------------|-------------|-------------------------------|
| | <u>Carloads Forwarded</u> | | |
| 324 | 291 | 266 | 272 |
| | <u>Carloads Received</u> | | |
| 85 | 107 | 82 | 70 |
| | <u>LCL Shipments Forwarded</u> | | |
| 1 | 2 | 1 | 1 |
| | <u>LCL Shipments Received</u> | | |
| 5 | 6 | 8 | 4 |
| | <u>Express Shipments Forwarded</u> | | |
| 55 | 57 | 26 | 50 |
| | <u>Express Shipments Received</u> | | |
| 15 | 14 | 6 | 2 |

The total revenue from telegraph business from this station for the years 1956 to 1958, inclusive, amounted to \$58.83.

The testimony disclosed that the following savings would be realized if this station were abandoned:

| <u>1957</u> | <u>1958</u> | <u>1959</u> (1st 6 months) |
|---------------------------------------|-------------|-------------------------------|
| <u>Present Expenses</u> | | |
| \$6,629.40 | \$6,593.52 | \$3,461.02 |
| <u>Expenses for Nonagency Station</u> | | |
| \$ 150.00 | \$ 150.00 | \$ 75.00 |
| <u>Savings</u> | | |
| \$6,479.40 | \$6,443.47 | \$3,386.02 |

There was no opposition to the closing of this station except that of The Order of Railroad Telegraphers which was similar to that presented in relation to the Irvine station.

In considering these three requests, the gross revenue of each station should be noted. The evidence shows this to be as follows:

| | <u>1957</u> | <u>1958</u> | <u>1959</u> (1st 6 months) |
|--------|--------------|--------------|-------------------------------|
| Irvine | \$200,919.46 | \$124,006.27 | \$84,880.14 |
| Olive | 295,592.23 | 204,096.38 | 85,112.63 |
| Atwood | 156,254.51 | 138,287.44 | 64,107.42 |

If 50% of the local revenues are allocated to the stations involved herein, as well as 100% of the Santa Fe's portions of the interline revenues, the above figures would be reduced to:

| | <u>1957</u> | <u>1958</u> | <u>1959</u> (1st 6 months) |
|--------|--------------|--------------|-------------------------------|
| Irvine | \$194,717.43 | \$117,408.21 | \$81,108.71 |
| Olive | 286,833.40 | 200,993.62 | 80,941.59 |
| Atwood | 147,214.07 | 129,307.47 | 63,298.98 |

The above revenue allocation is made on the assumption that one-half of the local revenue is allocated to the originating station and one-half to the station of destination, and 100% of the inter-line revenue is allocated to the station involved.

After consideration of all of the evidence in these matters, we now find and conclude that the discontinuance of agency service at Atwood and Olive stations will not materially affect applicant's service to the public. However, in the light of the amount of business transacted and the distance to the nearest station, we find that the Irvine station should be continued. We further find that public convenience and necessity no longer require that this railroad company maintain agents at the stations at Olive and Atwood. There is adequate service available at the remaining stations.

We further find that public convenience and necessity no longer require Railway Express Agency, Inc., to maintain agency service at the Olive and Atwood stations.

O R D E R

Applications as above entitled having been made, public hearings having been held thereon, the Commission being fully advised in the matters and having made the foregoing findings,

IT IS ORDERED that The Atchison, Topeka and Santa Fe Railway Company and the Railway Express Agency, Inc., are authorized to discontinue their agencies at Olive and Atwood, both in Orange County, and The Atchison, Topeka and Santa Fe Railway Company is authorized to remove its station buildings from these two points subject to the following conditions:

- a. Within ninety days after the effective date hereof and not less than ten days prior to the discontinuance of each agency, applicants shall post a notice of such discontinuance at the station, and within ninety days after the effective date hereof, and on not less than ten days' notice to the Commission and to the public, applicants shall file, in duplicate, amendments to their tariffs showing the changes authorized herein and shall make reference in such notice and tariffs to this decision as authority for the changes. In no event shall the agent be removed or the station abandoned pursuant to this paragraph earlier than the effective date of the tariff filings required hereunder.
- b. Within thirty days after discontinuance of each service as herein authorized, applicants shall notify this Commission thereof and of compliance with the above conditions.

IT IS FURTHER ORDERED that Application No. 40845 be and it hereby is denied.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 29th day of February, 1960.

[Signature] President
[Signature]
[Signature]
[Signature] Commissioners

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.